GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3265
ANSWERED ON:18.12.2015
Investment in NPS
Bhatt Smt.Ranjanben

Will the Minister of FINANCE be pleased to state:

a) whether the Reserve Bank of India (RBI) has permitted Non-Resident Indians to invest in the National Pension Scheme; and
(b) if so, the details thereof including the conditions fixed for the said investors?

Answer

The Minister of State in the Ministry of Finance

(a): Reserve Bank of India (RBI) has permitted Non-Resident Indians (NRIs) to invest in the National Pension System (NPS) under the Foreign Exchange Management Act, 1999 (FEMA), vide Notification no. FEMA353/2015-RB dated October, 6, 2015.
(b): With the view to provide NRIs with access to old age income security, it has been decided to enable NPS as an investment/saving option for NRIs under FEMA. Accordingly, NRIs may subscribe to the NPS governed and administered by the Pension Fund Regulatory and Development Authority (PFRDA), provided such subscriptions are made through normal banking channels and the person is eligible to invest as per the provisions of the Pension Fund Regulatory and Development Authority Act, 2013. Further, the subscription amounts shall be paid by the NRIs either by inward remittance through normal banking channels or out of funds held in their Non-Resident External (NRE)/ Foreign Currency Non-Repatriable (FCNR)/Non-Resident Ordinary (NRO) accounts. There shall be no restriction on repatriation of the annuity/accumulated savings.

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